

4Q-23 Quarterly Results

Cautionary Note

- This presentation contains, and our officers may make, “forward-looking” statements that are based on our management’s beliefs and assumptions and on information currently available to management. These forward-looking statements include, without limitation, information concerning possible or assumed future results of operations, including descriptions of our business plan and strategies. These statements often include words such as “outlook” “anticipate,” “expect,” “suggest,” “plan,” “believe,” “intend,” “estimate,” “target,” “project,” “should,” “could,” “would,” “may,” “will,” “forecast,” and other similar expressions.
- Forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause our actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements. These statements are based on certain assumptions that we have made in light of our experience in the industry and our perception of historical trends, current conditions, expected future developments, and other factors we believe are appropriate under the circumstances as of the date hereof. These and other important factors may cause our actual results, performance, or achievements to differ materially from those expressed or implied by these forward-looking statements. Such risks and other factors that may impact management’s beliefs and assumptions are more particularly described in our filings with the U.S. Securities and Exchange Commission (the “SEC”), including under “Item 1A.—Risk Factors” in our Annual Report on Form 10-K, and under similar headings in our subsequently filed Quarterly Reports on Form 10-Q, and could cause our results to differ materially from those expressed in forward-looking statements. As a result, we cannot guarantee future results, outcomes, levels of activity, performance, developments, or achievements, and there can be no assurance that our expectations, intentions, anticipations, beliefs, or projections will result or be achieved or accomplished. The forward-looking statements in this presentation are made only as of the date hereof. Except as required by law, we assume no obligation to update these forward-looking statements, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.
- This presentation may contain estimates and other statistical data made by independent parties and by us relating to market size and growth and other data about our industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates.
- This presentation may include certain non-GAAP financial measures as defined by SEC rules. We believe that the presentation of such non-GAAP financial measures enhances an investor's understanding of our financial performance. We use certain non-GAAP financial measures for business planning purposes and in measuring our performance relative to that of our competitors. For additional information regarding these non-GAAP financial measures, including reconciliations to the most directly comparable financial measure calculated according to GAAP, refer the appendix to this presentation. We have not provided a reconciliation for net loss to adjusted EBITDA outlook because we do not provide an outlook on the individual reconciling items between net loss and adjusted EBITDA. This is due to the uncertainty as to timing, and the potential variability, of the individual reconciling items such as impairments, stock-based compensation and the related tax impact, provision for income taxes, restructuring costs, and acquisition, integration and transformation costs, the effect of which may be significant. Accordingly, a full line-item reconciliation of the GAAP measure to the corresponding non-GAAP financial measure outlook is not available without unreasonable effort.

Financial Highlights

4Q Revenue of \$661M, +4% y/y

4Q Net loss per share of \$(0.17)
includes amortization of intangibles of \$(0.43) and stock-based compensation expense of \$(0.28) per share.

4Q Adj EBITDA⁽¹⁾ of \$114.4M, 22% y/y

FY24 Revenue outlook range of \$2.635B to \$2.735B

- 1Q24 Revenue outlook of \$630M to \$645M

FY24 Net loss per share outlook range of \$(1.10) to \$(0.80)

- 1Q24 Net loss per share outlook range of \$(0.55) to \$(0.45)

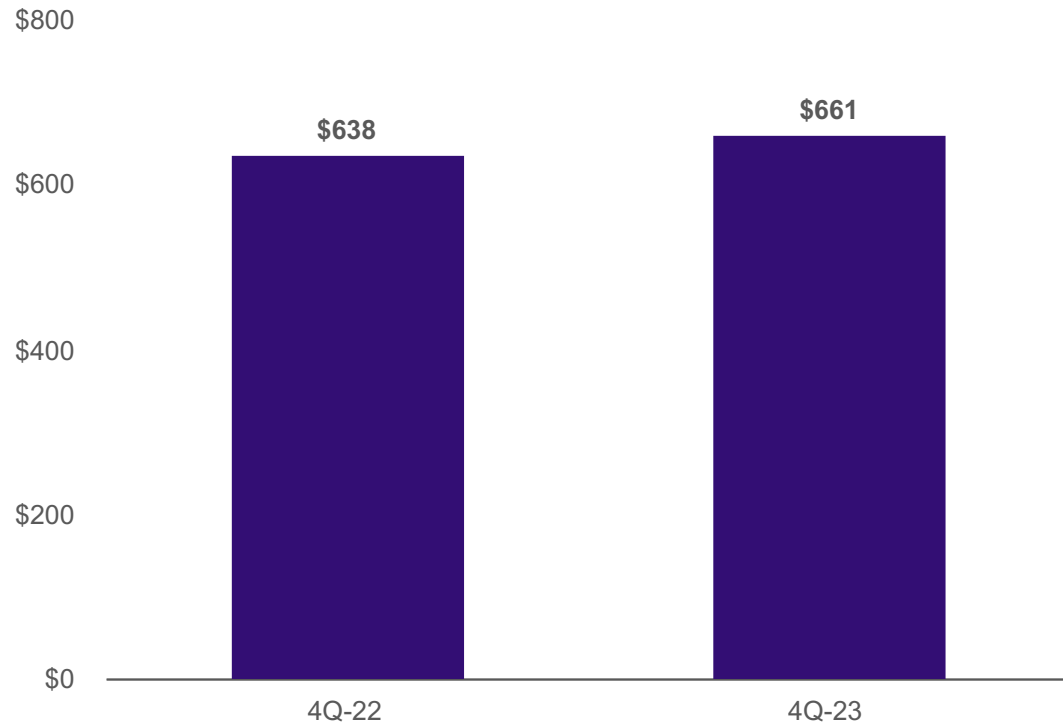
FY24 Adj. EBITDA outlook range of \$350M to \$390M

- 1Q24 Adj. EBITDA outlook range of \$52M to \$62M

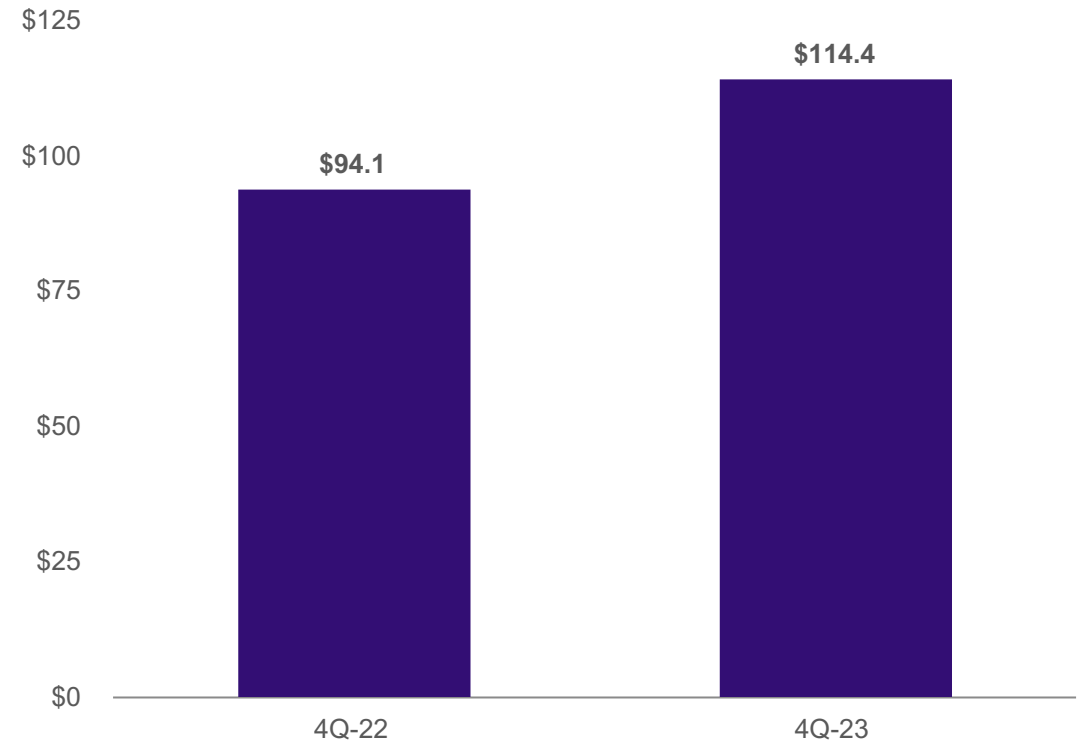
(1) See reconciliation of GAAP to non-GAAP measures included in the appendix of this presentation.

4Q-23 Consolidated Results: Revenue & Adj. EBITDA

Revenue (\$ millions)



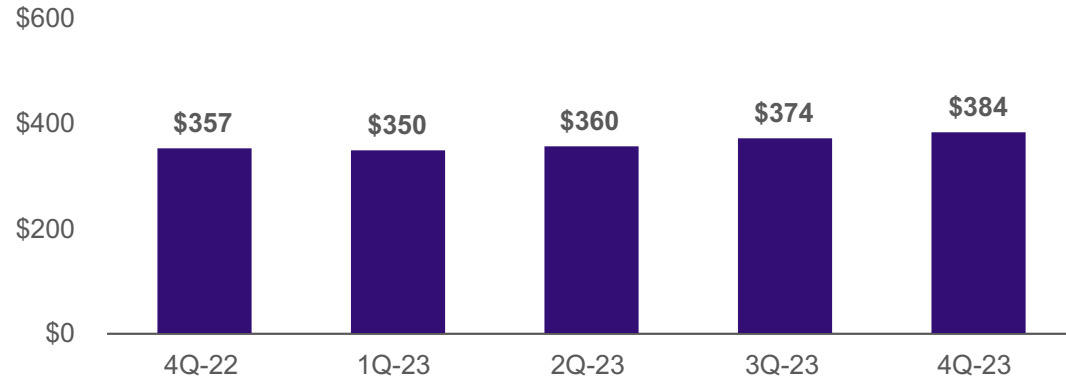
Adj. EBITDA (\$ millions)⁽¹⁾



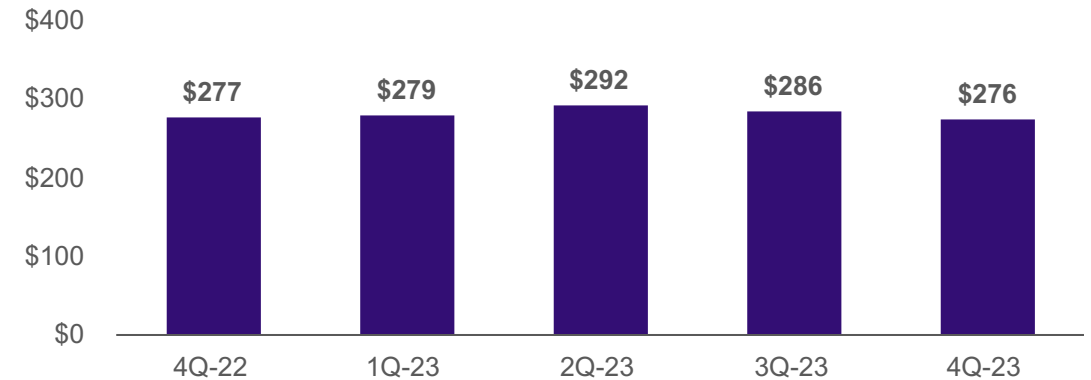
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4Q-23: Segment⁽¹⁾ Results

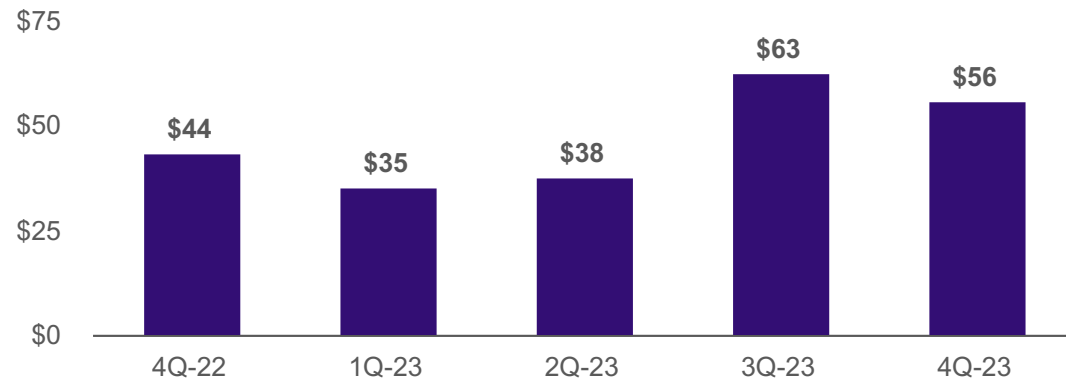
Integrated Care Segment Revenue (\$ millions)



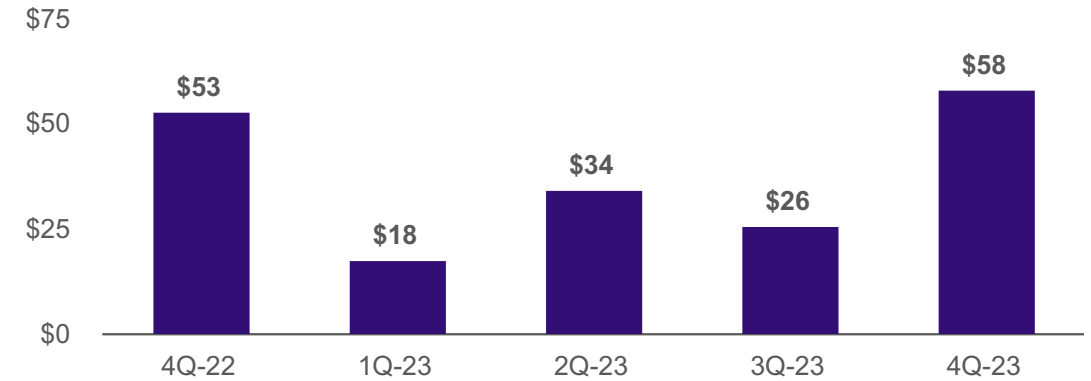
BetterHelp Segment Revenue (\$ millions)



Integrated Care Segment Adjusted EBITDA (\$ millions)



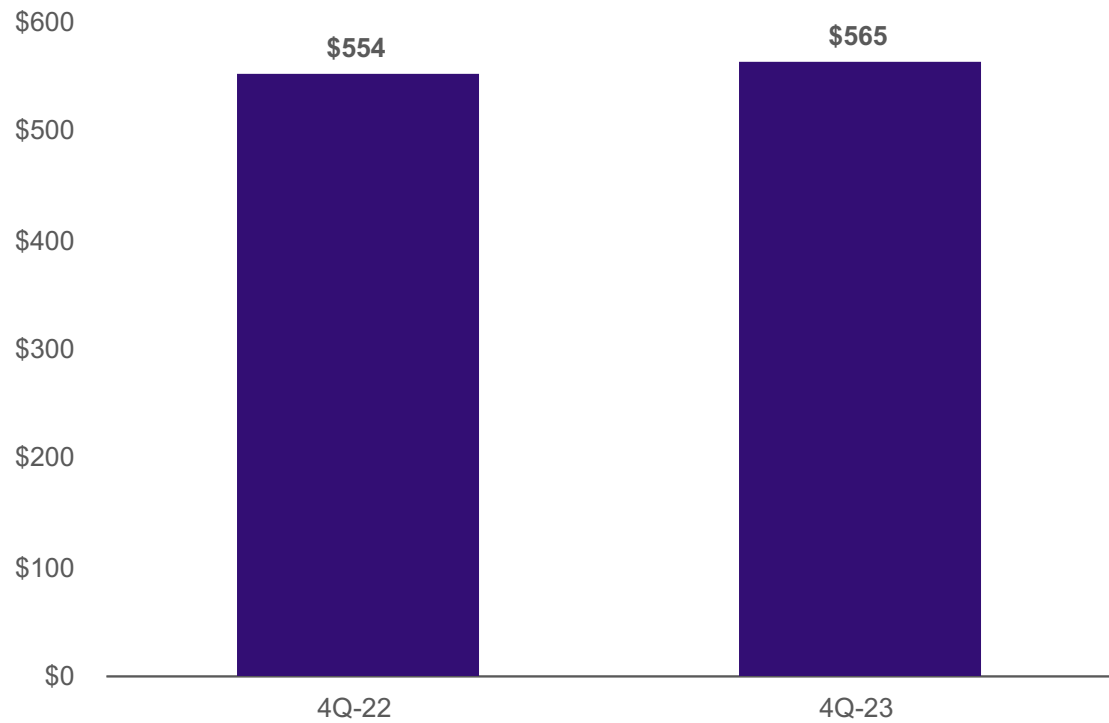
BetterHelp Segment Adjusted EBITDA (\$ millions)



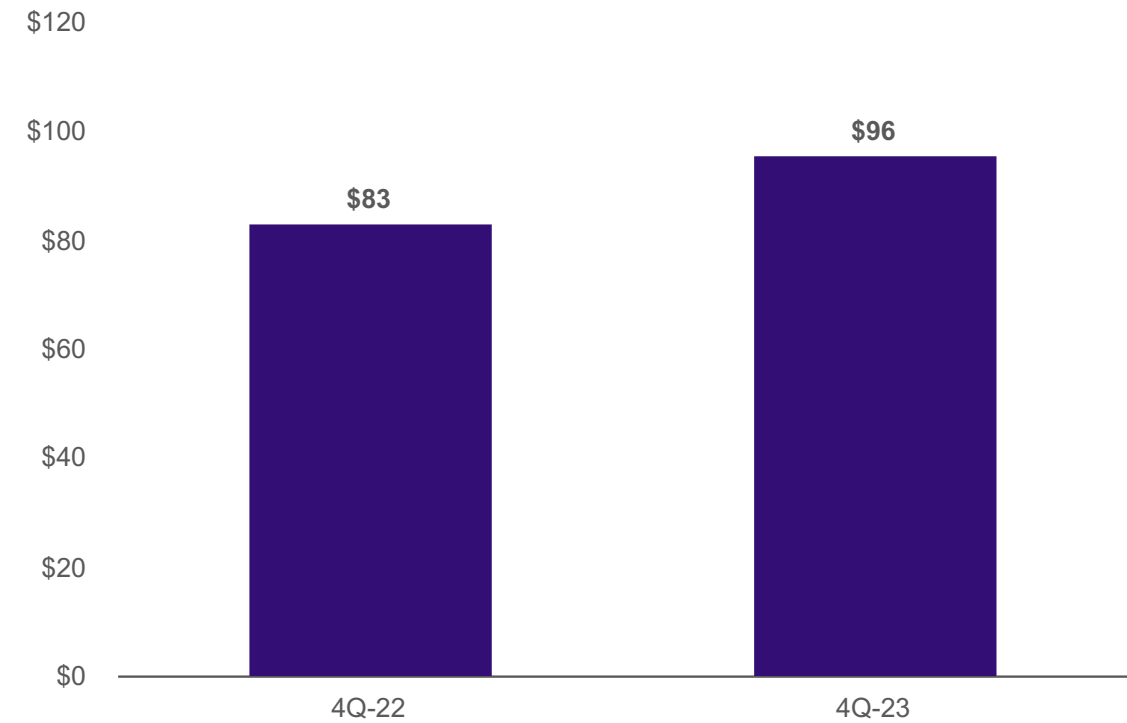
(1) The Company has two segments: Teladoc Health Integrated Care (“Integrated Care”) and BetterHelp. The Integrated Care segment includes a suite of global virtual medical services including general medical, expert medical services, specialty medical, chronic condition management, mental health, and enabling technologies and enterprise telehealth solutions for hospitals and health systems. The BetterHelp segment includes virtual therapy and other wellness services provided on a global basis which are predominantly marketed and sold on a direct-to-consumer basis.

4Q-23 Revenue: U.S. & International

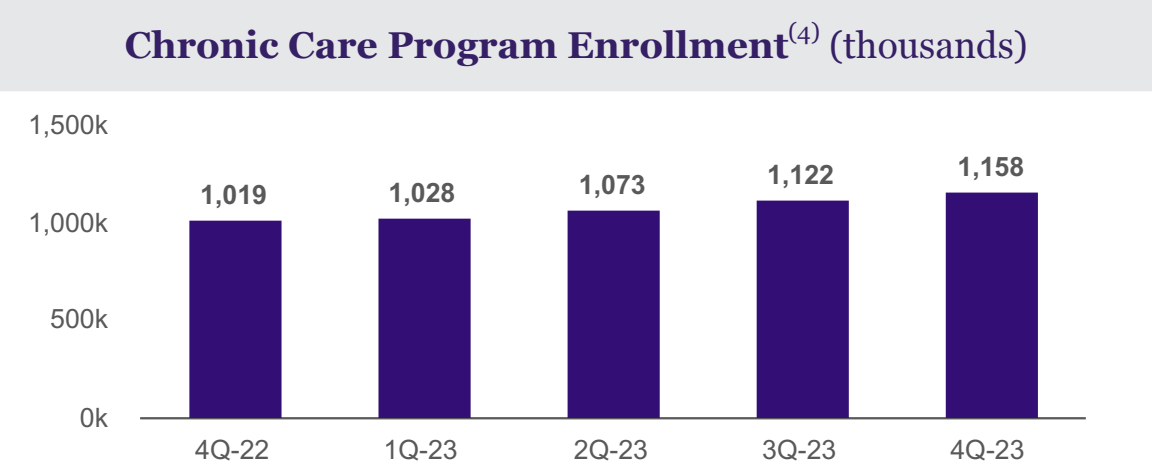
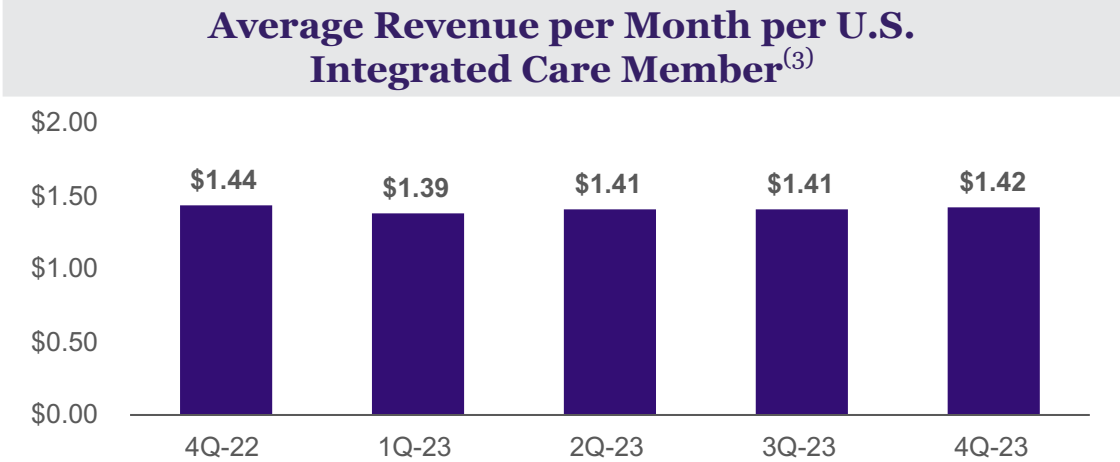
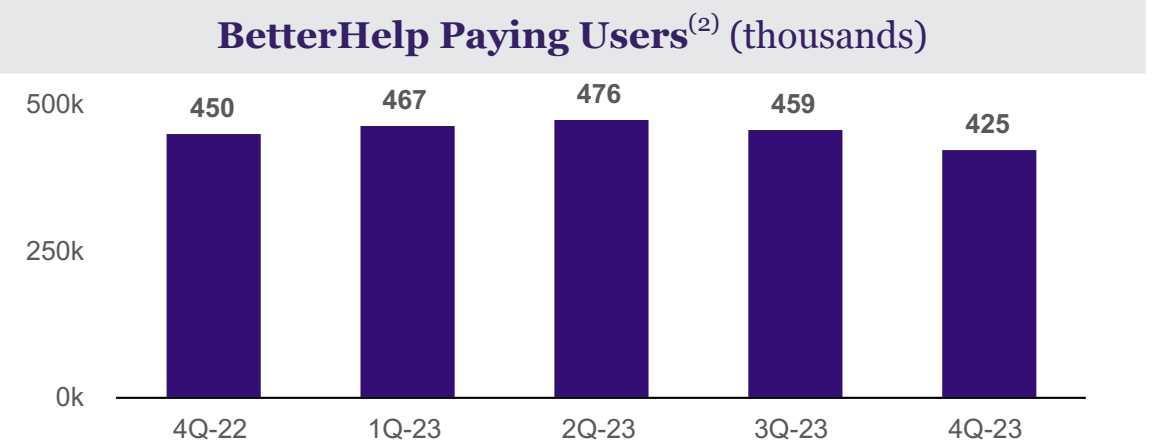
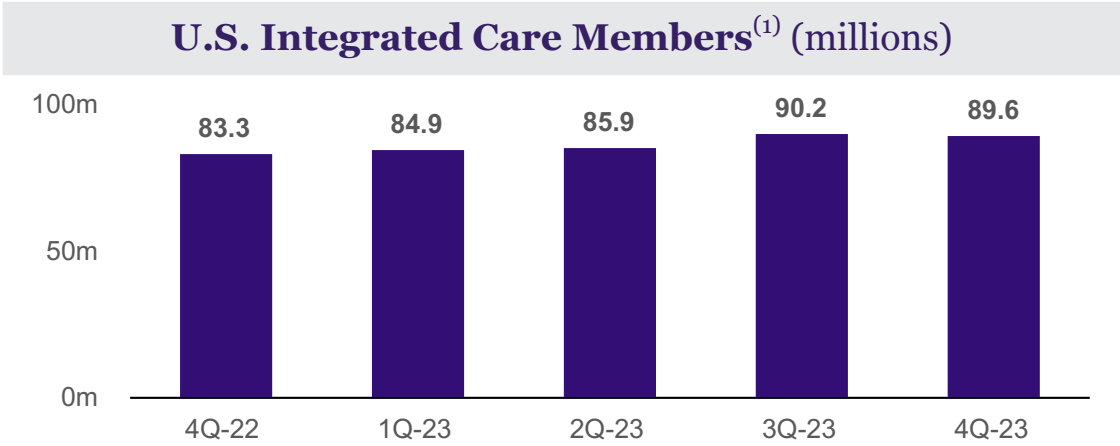
U.S. Revenue (\$ millions)



International Revenue (\$ millions)



4Q-23: Quarterly Key Operating Metrics



1. U.S. Integrated Care Members represent the number of unique individuals who have paid access and visit fee only access to our suite of integrated care services in the U.S. at the end of the applicable period.

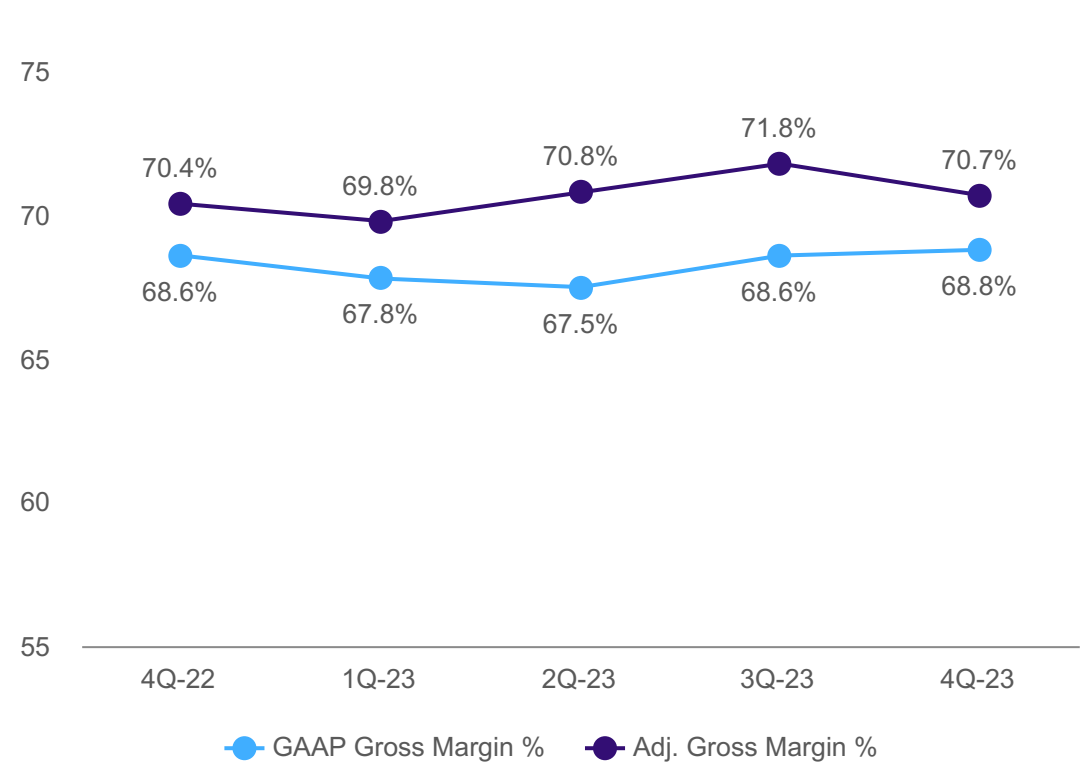
2. BetterHelp Paying Users represent the average number of global monthly paying users of our BetterHelp therapy services during the applicable period.

3. Average monthly revenue per U.S. Integrated Care member is calculated by dividing the total revenue generated from the Integrated Care segment by the average number of U.S. Integrated Care Members (see note 1) during the applicable period.

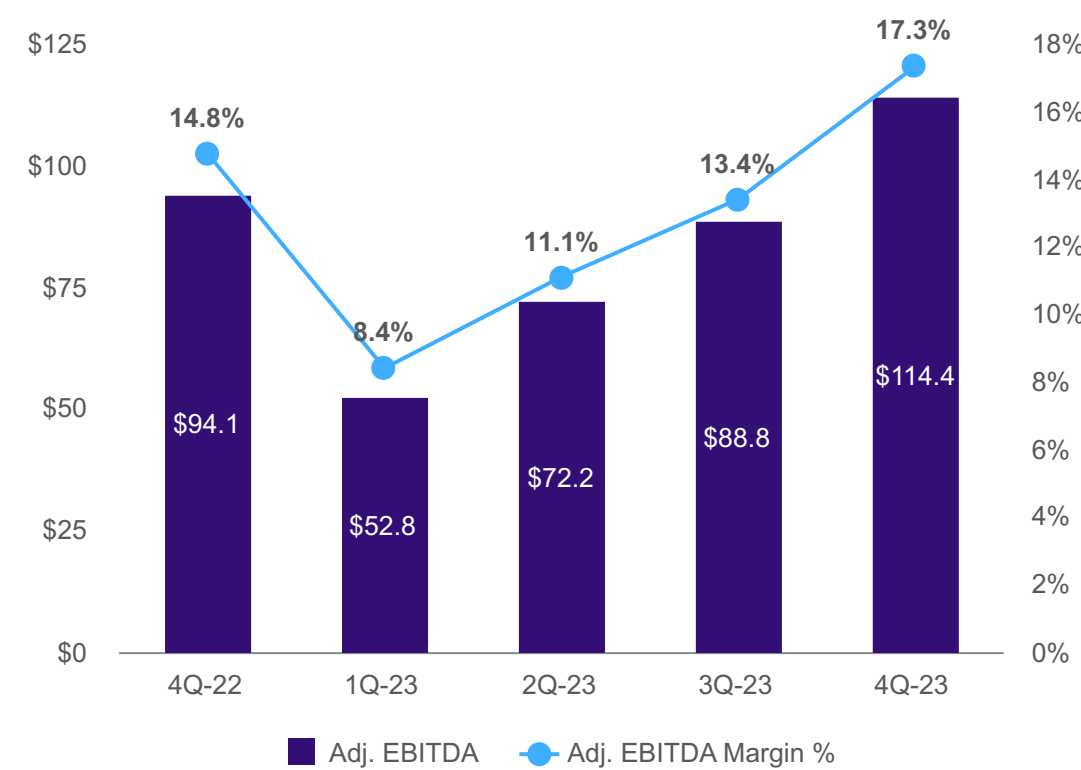
4. Chronic Care Program Enrollment represents the total number of enrollees across our suite of chronic care programs at the end of a given period.

Quarterly Trend: Adj. Gross Margin %, Adj. EBITDA, & Adj. EBITDA Margin

Gross Margin & Adj. Gross Margin % ⁽¹⁾



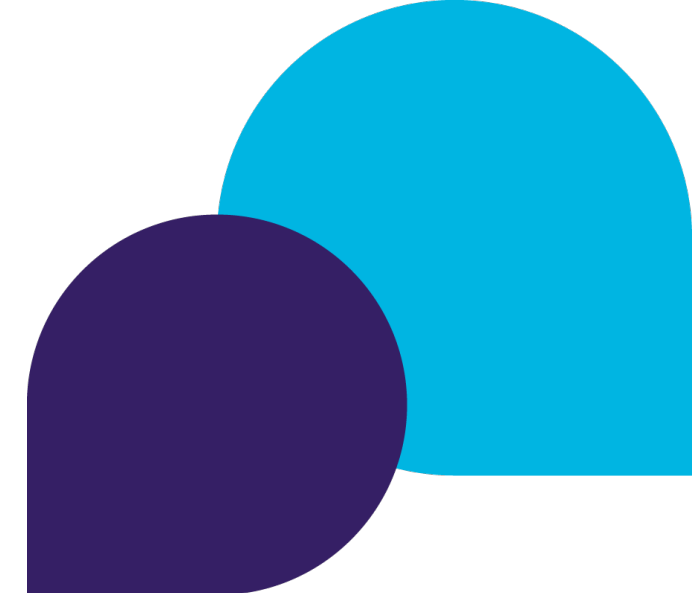
Adj. EBITDA ⁽¹⁾⁽²⁾ & Adj. EBITDA Margin %



(1) See reconciliation of GAAP to non-GAAP measures included in the appendix of this presentation
(2) Adj. EBITDA in \$ millions

Balance Sheet Highlights and Cash Flow

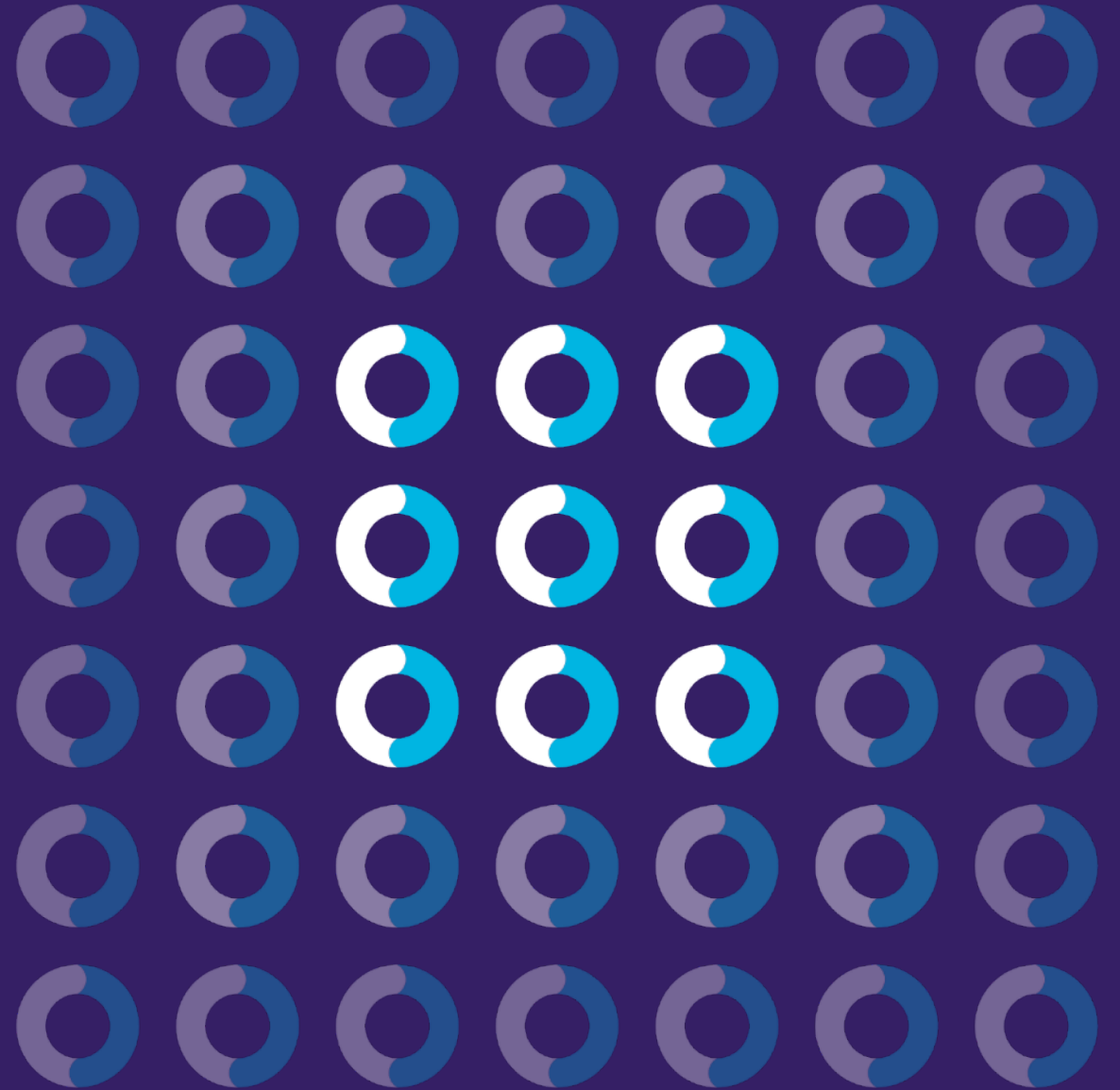
- **Cash and Cash Equivalents**
(as of December 31st, 2023): **\$1.12B**
- **Convertible & LT Debt on Balance Sheet**
(as of December 31st, 2023): **\$1.54B**
- **Operating Cash Flow**
(FY2023): **\$350M**
- **Free Cash Flow**
(FY2023): **\$194M**



Outlook: 1Q-24 and FY-24

	1Q-24	Y/Y % Growth	FY-24	Y/Y % Growth
Revenue (\$M)	\$630 to \$645	0% to 3%	\$2,635 to \$2,735	1% to 5%
Net loss per share	\$(0.55) to \$(0.45)	NM	\$(1.10) to \$(0.80)	NM
Adj. EBITDA (\$M)	\$52 to \$62	(1)% to 18%	\$350 to \$390	7% to 19%
US integrated care members (M)	89.5 to 90.5	5% to 7%	90 to 92	0% to 3%

Appendix



Reconciliation of EBITDA & Adj. EBITDA to Net Loss

	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Net loss	\$ (3,810,071)	\$ (69,228)	\$ (65,177)	\$ (57,073)	\$ (28,890)
Add:					
Goodwill Impairment	3,772,811	—	—	—	—
Interest income	(6,482)	(8,911)	(11,558)	(12,606)	(13,707)
Interest expense	4,590	5,263	5,835	5,646	5,538
Other expense (income), net	(1,749)	(4,907)	207	1,792	(1,537)
Income tax expense (benefit), net	(1,840)	681	(952)	(2,484)	3,515
Depreciation	2,598	2,923	2,954	2,468	2,793
Amortization	73,118	66,860	72,511	91,834	94,728
EBITDA	32,975	(7,319)	3,820	29,577	62,440
Stock-based compensation	50,754	46,038	55,725	52,945	46,842
Acquisition, integration and transformation cost	6,627	5,944	5,080	5,824	4,262
Restructuring costs	3,738	8,102	7,530	411	899
Adjusted EBITDA	\$ 94,094	\$ 52,765	\$ 72,155	\$ 88,757	\$ 114,443

(in 000s)

Reconciliation of GAAP Gross Profit to Adj. Gross Profit & Adj. Gross Margin

	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Revenue	\$ 637,709	\$ 629,244	\$ 652,406	\$ 660,238	\$ 660,527
Cost of revenue (exclusive of depreciation and amort, which are shown separately below)	(188,873)	(190,107)	(190,540)	(185,960)	(193,424)
Depreciation and amortization	(11,109)	(12,531)	(21,474)	(21,088)	(12,658)
Gross Profit	437,727	426,606	440,392	453,190	454,445
Depreciation and amortization	11,109	12,531	21,474	21,088	12,658
Adjusted gross profit	\$448,836	\$439,137	\$461,866	\$474,278	\$467,103
Gross margin	68.6 %	67.8 %	67.5 %	68.6 %	68.8 %
Adjusted gross margin	70.4 %	69.8 %	70.8 %	71.8 %	70.7 %

(in 000s)

Reconciliation of GAAP Net Cash Provided by Operating Activities to Free Cash Flow

	FY 2023
Net cash provided by operating activities	\$ 350,021
Capital expenditures	(11,464)
Capitalized software	(144,884)
Capex	(156,348)
Free Cash Flow	<u>\$ 193,673</u>

(in 000s)